

**MATTHEW ELIAS (026232)**

Matthew@EnaraLaw.com

**ROSS P. MEYER (028473)**

Ross@EnaraLaw.com

**Enara Law PLLC**

7631 East Greenway Road, Suite B-2

Scottsdale, Arizona 85260

Telephone: (602) 687-2010

[Filings@EnaraLaw.com](mailto:Filings@EnaraLaw.com)

*Attorneys for Defendant/Counterclaimant Jin Hong*

**IN THE UNITED STATES DISTRICT COURT**

**FOR THE DISTRICT OF ARIZONA**

Alchera X, Inc., a Delaware corporation,

Plaintiff,

vs.

Jin Hong, an Arizona resident,

Defendant.

Case No.: 2:24-CV-02166-DJH

**DEFENDANT/  
COUNTERCLAIMANT'S ANSWER  
AND COUNTERCLAIM**

---

Jin Hong, an Arizona resident,

Counterclaimant,

vs.

Alchera X, Inc., a Delaware corporation,

Counterdefendant.

Defendant/Counterclaimant Jin Hong ("Defendant/Counterclaimant"), by and through undersigned counsel, for their Answer and Counterclaim to Plaintiff/Counterdefendant's Complaint, and hereby admit, deny, and affirmatively allege as follows:

///

**NATURE OF THE ACTION**

1. Defendant/Counterclaimant denies the allegations in Paragraph 1 of the Complaint.

2. Defendant/Counterclaimant denies the allegations in Paragraph 2 of the Complaint.

3. Defendant/Counterclaimant denies the allegations in Paragraph 3 of the Complaint.

4. Defendant/Counterclaimant denies the allegations in Paragraph 4 of the Complaint.

5. Defendant/Counterclaimant denies the allegations in Paragraph 5 of the Complaint.

6. Defendant/Counterclaimant denies the allegations in Paragraph 6 of the Complaint.

7. Defendant/Counterclaimant denies the allegations in Paragraph 7 of the Complaint.

**JURISDICTION**

8. Defendant/Counterclaimant admits the allegations in Paragraph 8 of the Complaint.

9. Defendant/Counterclaimant admits the allegations in Paragraph 9 of the Complaint.

10. Defendant/Counterclaimant admits that this Court has specific personal jurisdiction over Defendant/Counterclaimant, however, Defendant/Counterclaimant denies the remaining allegations in Paragraph 10.

///

///

**VENUE**

11. Defendant/Counterclaimant admits that venue is proper, however, Defendant/Counterclaimant denies the remaining allegations in Paragraph 11.

**PARTIES**

12. Defendant/Counterclaimant admits the allegations in Paragraph 12 of the Complaint.

13. Defendant/Counterclaimant admits the allegations in Paragraph 13 of the Complaint.

14. Defendant/Counterclaimant admits the allegations in Paragraph 14 of the Complaint.

15. Defendant/Counterclaimant admits the allegations in Paragraph 15 of the Complaint.

**FACTUAL ALLEGATIONS**

16. Defendant/Counterclaimant denies the allegations in Paragraph 16 of the Complaint.

17. Defendant/Counterclaimant denies the allegations in Paragraph 17 of the Complaint.

18. Defendant/Counterclaimant denies the allegations in Paragraph 18 of the Complaint.

19. Defendant/Counterclaimant denies the allegations in Paragraph 19 of the Complaint.

20. Defendant/Counterclaimant denies the allegations in Paragraph 20 of the Complaint.

21. Defendant/Counterclaimant denies the allegations in Paragraph 21 of the Complaint.

1           22. Defendant/Counterclaimant denies the allegations in Paragraph 22 of the  
2 Complaint.

3           23. Defendant/Counterclaimant denies the allegations in Paragraph 23 of the  
4 Complaint.

5           24. Defendant/Counterclaimant denies the allegations in Paragraph 24 of the  
6 Complaint.

7           25. Defendant/Counterclaimant denies the allegations in Paragraph 25 of the  
8 Complaint.

9           26. Defendant/Counterclaimant denies the allegations in Paragraph 26 of the  
10 Complaint.

11           27. Defendant/Counterclaimant denies the allegations in Paragraph 27 of the  
12 Complaint.

13           28. Defendant/Counterclaimant denies the allegations in Paragraph 28 of the  
14 Complaint.

15           29. Defendant/Counterclaimant denies the allegations in Paragraph 29 of the  
16 Complaint.

17           30. Defendant/Counterclaimant denies the allegations in Paragraph 30 of the  
18 Complaint.

19           31. Defendant/Counterclaimant denies the allegations in Paragraph 31 of the  
20 Complaint.

21           32. Defendant/Counterclaimant denies the allegations in Paragraph 32 of the  
22 Complaint.

23           33. Defendant/Counterclaimant denies the allegations in Paragraph 33 of the  
24 Complaint.

25 ///

35. Defendant/Counterclaimant denies the allegations in Paragraph 35 of the Complaint.

37. Defendant/Counterclaimant denies the allegations in Paragraph 37 of the Complaint.

38. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

40. Defendant/Counterclaimant denies the allegations in Paragraph 40 of the Complaint.

42. Defendant/Counterclaimant denies the allegations in Paragraph 42 of the Complaint.

44. Defendant/Counterclaimant denies the allegations in Paragraph 44 of the Complaint.

45. Defendant/Counterclaimant denies the allegations in Paragraph 45 of the Complaint.

47. Defendant/Counterclaimant denies the allegations in Paragraph 47 of the Complaint.

48. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

50. Defendant/Counterclaimant denies the allegations in Paragraph 50 of the Complaint.

51. Defendant/Counterclaimant denies the allegations in Paragraph 51 of the Complaint.

52. Defendant/Counterclaimant denies the allegations in Paragraph 52 of the Complaint.

53. Defendant/Counterclaimant denies the allegations in Paragraph 53 of the Complaint.

54. Defendant/Counterclaimant denies the allegations in Paragraph 54 of the Complaint.

55. Defendant/Counterclaimant denies the allegations in Paragraph 55 of the Complaint.

56. Defendant/Counterclaimant denies the allegations in Paragraph 56 of the Complaint.

57. Defendant/Counterclaimant denies the allegations in Paragraph 57 of the Complaint.

59. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

60. Defendant/Counterclaimant admits the allegations in Paragraph 60 of the Complaint.

61. Defendant/Counterclaimant denies the allegations in Paragraph 61 of the Complaint.

62. Defendant/Counterclaimant denies the allegations in Paragraph 62 of the Complaint.

63. Defendant/Counterclaimant denies the allegations in Paragraph 63 of the Complaint.

64. Defendant/Counterclaimant denies the allegations in Paragraph 64 of the Complaint.

65. Defendant/Counterclaimant denies the allegations in Paragraph 65 of the Complaint.

66. Defendant/Counterclaimant denies the allegations in Paragraph 66 of the Complaint.

67. Defendant/Counterclaimant denies the allegations in Paragraph 67 of the Complaint.

68. Defendant/Counterclaimant denies the allegations in Paragraph 68 of the Complaint.

/ / /

**COUNT FOUR**

69. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

70. Defendant/Counterclaimant admits the allegations in Paragraph 70 of the Complaint.

71. Defendant/Counterclaimant denies the allegations in Paragraph 71 of the Complaint.

72. Defendant/Counterclaimant denies the allegations in Paragraph 72 of the Complaint.

73. Defendant/Counterclaimant denies the allegations in Paragraph 73 of the Complaint.

74. Defendant/Counterclaimant denies the allegations in Paragraph 74 of the Complaint.

**COUNT FIVE**

75. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

76. Defendant/Counterclaimant admits the allegations in Paragraph 76 of the Complaint.

77. Defendant/Counterclaimant admits the allegations in Paragraph 77 of the Complaint.

78. Defendant/Counterclaimant denies the allegations in Paragraph 78 of the Complaint.

**COUNT SEVEN [there is no Count Six in the Complaint]**

79. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.



81. Defendant/Counterclaimant denies the allegations in Paragraph 81 of the Complaint.

82. Defendant/Counterclaimant denies the allegations in Paragraph 82 of the Complaint.

83. Defendant/Counterclaimant denies the allegations in Paragraph 83 of the Complaint.

84. Defendant/Counterclaimant denies the allegations in Paragraph 84 of the Complaint.

85. Defendant/Counterclaimant denies the allegations in Paragraph 85 of the Complaint.

86. Defendant/Counterclaimant denies the allegations in Paragraph 86 of the Complaint.

87. Defendant/Counterclaimant hereby incorporates their responses to each and every allegation set forth above as if fully set forth herein.

88. Defendant/Counterclaimant denies the allegations in Paragraph 88 of the Complaint.

89. Defendant/Counterclaimant denies the allegations in Paragraph 89 of the Complaint.

90. Defendant/Counterclaimant denies the allegations in Paragraph 90 of the Complaint.

91. Defendant/Counterclaimant denies the allegations in Paragraph 91 of the Complaint.

1           92. Defendant/Counterclaimant denies the allegations in Paragraph 92 of the  
2 Complaint.

3                               **AFFIRMATIVE DEFENSES**

4           93. Defendant/Counterclaimant denies any allegation in the Complaint where  
5 no express admission is given.

6           94. Defendant/Counterclaimant place Plaintiff/Counterdefendant on notice that  
7 they preserve the following affirmative defenses pursuant to Rule 8(d) of the Arizona  
8 Rules of Civil Procedure: accord and satisfaction; assumption of risk; contributory  
9 negligence; duress; estoppel; failure of consideration; fraud; illegality; laches; license;  
10 payment; release; statute of frauds; and waiver.

11           95. Furthermore, Defendant/Counterclaimant additionally assert the following  
12 affirmative defenses: misrepresentation; legal excuse; legal justification; unclean hands;  
13 no damages; condition precedent; lack of authority; wrong party; and failure to plead with  
14 particularity.

15           96. Defendant/Counterclaimant also place Plaintiff/Counterdefendant on notice  
16 that they may raise the following possible affirmative defenses which, through subsequent  
17 discovery, may be supported by the facts: lack of jurisdiction over the subject matter; lack  
18 of jurisdiction over the person; failure to join necessary and indispensable parties pursuant  
19 to Rule 19; failure to state a claim; insufficient service of process; estoppel; set-off;  
20 recoupment; failure to mitigate damages; avoidable consequences; and lack of an agency  
21 relationship.

22           97. The Complaint fails to state a claim upon which relief may be granted.

23           **WHEREFORE**, having answered the Complaint, Defendant/Counterclaimant  
24 prays for judgment from the Court as follows:

25 ///

- A. That the Complaint be dismissed, and that Plaintiff/Counterdefendant take nothing thereby;
- B. That Defendant/Counterclaimant be awarded their reasonable attorneys' fees and costs; and
- C. For such other and further relief that the Court deems just and proper under the circumstances.

**DEFENDANT/COUNTERCLAIMANT JIN HONG'S COUNTERCLAIM  
AGAINST PLAINTIFF/COUNTERDEFENDANT ALCHERA X, INC.**

For their Counterclaim against Plaintiff/Counterdefendant Alchera X, Inc., Defendant/Counterclaimant Jin Hong alleges as follows:

**PARTIES, JURISDICTION, AND VENUE**

1. Defendant/Counterclaimant Jin Hong, an individual, is an Arizona resident.
2. Plaintiff/Counterdefendant Alchera X is a Delaware corporation with its principal place of business in the State of California. Alchera X's parent company, Alchera, is headquartered in Korea.
3. Jurisdiction and venue in this Court are proper pursuant to Rule 13 of the Arizona Rules of Civil Procedure.

**GENERAL ALLEGATIONS**

4. In or around March 1, 2022, Jin Hong started working for Alchera.
5. Jin Hong's roles with Alchera and Alchera X, Inc. included International Business Director, COO, and CEO for Alchera X, Inc.
6. Jin Hong's employment with Alchera is governed by an Employment Agreement ("Agreement") executed on March 1, 2022.
7. The Agreement provides for three separate terms of employment, specifically: the first term being March 1, 2022 to February 28, 2024; the second term being March 1, 2024 to February 28, 2026; and the third term being March 1, 2026 to

February 28, 2028.

8. Article 3, subsection 3 of the Agreement provides that “[u]nless the Company asks the Employee renew this Agreement by the end of the Term, this Agreement shall automatically renew on the last day of the Term.”

9. When Jin Hong began working for Alchera, he and his family were living in Korea.

10. At the behest of Alchera, Jin Hong and his family relocated to the United States and settled in Scottsdale, Arizona.

11. This relocation was done with the full support and approval of Alchera.

12. Jin Hong was an exemplary employee and leader of Alchera. His leadership directly contributed to the increased profits and advancement of Alchera.

13. All expenses and any salary adjustments made by Jin Hong were approved by the finance department of Alchera X, Inc.

14. Jin Hong is the 100% sole owner of Alchera X, Inc.

15. Despite his successful leadership of Alchera, Jin Hong was terminated in or around December 2023 in violation of the Employment Agreement.

**COUNT ONE**  
**Breach of Contract**  
**(Alchera X, Inc.)**

16. Defendant/Counterclaimant hereby incorporates by reference paragraphs 1-15 of this Counterclaim as if fully restated here.

17. Jin Hong has a contract with Alchera X, Inc. for his employment with the company in the Employment Agreement.

18. Jin Hong is the 100% sole owner of Alchera X, Inc.

19. The Agreement has three separate terms of employment, specifically: the first term being March 1, 2022 to February 28, 2024; the second term being March 1, 2024

1 to February 28, 2026; and the third term being March 1, 2026 to February 28, 2028.

2 20. Alchera X, Inc. breached the contract by terminated Jin Hong's employment  
3 in violation of the terms of the Agreement.

4 21. The breach by Alchera X, Inc. resulted in Jin Hong no longer receiving his  
5 salary that was guaranteed to him in the Agreement and caused Jin Hong to suffer  
6 significant economic damages.

7 22. The breach by Alchera X, Inc. resulted in Jin Hong being denied his 100%  
8 sole ownership of Alchera X, Inc.

9 23. Jin Hong has been damaged in an amount to be determined at trial.

10 24. This action arises out of a contract, therefore, Defendant/Counterclaimant is  
11 entitled to recover reasonable attorneys' fees pursuant to A.R.S. § 12-341.01 and costs  
12 pursuant to A.R.S. § 12-341.

13 **COUNT TWO**

14 **Breach of Implied Covenant of Good Faith and Fair Dealing**  
15 **(Alchera X, Inc.)**

16 25. Defendant/Counterclaimant hereby incorporates by reference paragraphs 1-  
17 24 of this Counterclaim as if fully restated here.

18 26. Jin Hong acted in good faith by entering into the Agreement with Alchera,  
19 working for Alchera, and relocating his family to the United States at the behest of  
20 Alchera.

21 27. Alchera breached the implied covenant of good faith and fair dealing by  
22 terminating Jin Hong's employment in violation of the Agreement.

23 28. The breach by Alchera X, Inc. resulted in Jin Hong no longer receiving his  
24 salary that was guaranteed to him in the Agreement and caused Jin Hong to suffer  
25 significant economic damages.

26 ///

14

**CERTIFICATE OF SERVICE**

I hereby certify that on this 25th day of October 2024, I electronically transmitted the attached document to the Clerk's Office using the CM/ECF system for filing and transmittal of a Notice of Electronic Filing to all parties and counsel of record by operation of the Court's electronic filing system. The Parties may access this filing through the CM/ECF system.

By: /s/ Shelly N. Witgen, ACP